
SUBSTITUTE SENATE BILL 5043

State of Washington

60th Legislature

2007 Regular Session

By Senate Committee on Natural Resources, Ocean & Recreation (originally sponsored by Senators Haugen, Jacobsen, Fairley, Keiser, Regala, Hatfield, Berkey, Fraser, Sheldon, Poulsen, Rasmussen and Kohl-Welles)

READ FIRST TIME 02/08/07.

1 AN ACT Relating to the creation of a state property tax levy
2 dedicated to parks; amending RCW 84.52.043, 84.52.065, 79A.05.215,
3 84.48.080, 84.52.068, 39.89.020, and 39.102.020; creating a new
4 section; repealing RCW 84.55.012; and providing an expiration date.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 **Sec. 1.** RCW 84.52.043 and 2005 c 122 s 3 are each amended to read
7 as follows:

8 Within and subject to the limitations imposed by RCW 84.52.050 as
9 amended, the regular ad valorem tax levies upon real and personal
10 property by the taxing districts hereafter named shall be as follows:

11 (1) Levies of the senior taxing districts shall be as follows: (a)
12 The levy by the state under RCW 84.52.065(1) shall not exceed three
13 dollars and sixty cents per thousand dollars of assessed value adjusted
14 to the state equalized value in accordance with the indicated ratio
15 fixed by the state department of revenue to be used exclusively for the
16 support of the common schools; (b) the levy by the state under RCW
17 84.52.065(2) shall not exceed one cent per thousand dollars of assessed
18 value adjusted to the state equalized value in accordance with the
19 indicated ratio fixed by the state department of revenue to be used

1 exclusively for the support of the state parks; (c) the levy by any
2 county shall not exceed one dollar and eighty cents per thousand
3 dollars of assessed value; (~~(+e))~~ (d) the levy by any road district
4 shall not exceed two dollars and twenty-five cents per thousand dollars
5 of assessed value; and (~~(+d))~~ (e) the levy by any city or town shall
6 not exceed three dollars and thirty-seven and one-half cents per
7 thousand dollars of assessed value. However any county is hereby
8 authorized to increase its levy from one dollar and eighty cents to a
9 rate not to exceed two dollars and forty-seven and one-half cents per
10 thousand dollars of assessed value for general county purposes if the
11 total levies for both the county and any road district within the
12 county do not exceed four dollars and five cents per thousand dollars
13 of assessed value, and no other taxing district has its levy reduced as
14 a result of the increased county levy.

15 (2) The aggregate levies of junior taxing districts and senior
16 taxing districts, other than the state, shall not exceed five dollars
17 and ninety cents per thousand dollars of assessed valuation. The term
18 "junior taxing districts" includes all taxing districts other than the
19 state, counties, road districts, cities, towns, port districts, and
20 public utility districts. The limitations provided in this subsection
21 shall not apply to: (a) Levies at the rates provided by existing law
22 by or for any port or public utility district; (b) excess property tax
23 levies authorized in Article VII, section 2 of the state Constitution;
24 (c) levies for acquiring conservation futures as authorized under RCW
25 84.34.230; (d) levies for emergency medical care or emergency medical
26 services imposed under RCW 84.52.069; (e) levies to finance affordable
27 housing for very low-income housing imposed under RCW 84.52.105; (f)
28 the portions of levies by metropolitan park districts that are
29 protected under RCW 84.52.120; (g) levies imposed by ferry districts
30 under RCW 36.54.130; (h) levies for criminal justice purposes under RCW
31 84.52.135; and (i) the portions of levies by fire protection districts
32 that are protected under RCW 84.52.125.

33 **Sec. 2.** RCW 84.52.065 and 1991 sp.s. c 31 s 16 are each amended to
34 read as follows:

35 (1) Subject to the limitations in RCW 84.55.010, in each year the
36 state shall levy for collection in the following year for the support
37 of common schools of the state a tax of three dollars and sixty cents

1 per thousand dollars of assessed value upon the assessed valuation of
2 all taxable property within the state adjusted to the state equalized
3 value in accordance with the indicated ratio fixed by the state
4 department of revenue.

5 (2) Subject to the limitations in RCW 84.55.010, in each year the
6 state shall levy for collection in the following year for the support
7 of the state parks a tax of one cent per thousand dollars of assessed
8 value upon the assessed valuation of all taxable property within the
9 state adjusted to the state equalized value in accordance with the
10 indicated ratio fixed by the state department of revenue. Revenue from
11 the state parks levy shall be deposited into the state parks renewal
12 and stewardship account created in RCW 79A.05.215.

13 (3) As used in this section, "the support of common schools"
14 includes the payment of the principal and interest on bonds issued for
15 capital construction projects for the common schools.

16 **Sec. 3.** RCW 79A.05.215 and 1995 c 211 s 7 are each amended to read
17 as follows:

18 The state parks renewal and stewardship account is created in the
19 state treasury. Except as otherwise provided in this chapter, all
20 receipts from the state property tax levy dedicated to state parks
21 under RCW 84.52.065(2), user fees, concessions, leases, and other state
22 park-based activities shall be deposited into the account.
23 Expenditures from the account may be used for operating state parks,
24 developing and renovating park facilities, undertaking deferred
25 maintenance, enhancing park stewardship, and other state park purposes,
26 except that the revenue from the state property tax levy dedicated to
27 state parks under RCW 84.52.065(2) may only be used for maintenance and
28 preservation of state parks. Expenditures from the account may be made
29 only after appropriation by the legislature.

30 **Sec. 4.** RCW 84.48.080 and 2001 c 185 s 12 are each amended to read
31 as follows:

32 (1) Annually during the months of September and October, the
33 department of revenue shall examine and compare the returns of the
34 assessment of the property in the several counties of the state, and
35 the assessment of the property of railroad and other companies assessed
36 by the department, and proceed to equalize the same, so that each

1 county in the state shall pay its due and just proportion of the taxes
2 for state purposes for such assessment year, according to the ratio the
3 valuation of the property in each county bears to the total valuation
4 of all property in the state.

5 (a) The department shall classify all property, real and personal,
6 and shall raise and lower the valuation of any class of property in any
7 county to a value that shall be equal, so far as possible, to the true
8 and fair value of such class as of January 1st of the current year for
9 the purpose of ascertaining the just amount of tax due from each county
10 for state purposes. In equalizing personal property as of January 1st
11 of the current year, the department shall use valuation data with
12 respect to personal property from the three years immediately preceding
13 the current assessment year in a manner it deems appropriate. Such
14 classification may be on the basis of types of property, geographical
15 areas, or both. For purposes of this section, for each county that has
16 not provided the department with an assessment return by December 1st,
17 the department shall proceed, using facts and information and in a
18 manner it deems appropriate, to estimate the value of each class of
19 property in the county.

20 (b) The department shall keep a full record of its proceedings and
21 the same shall be published annually by the department.

22 (2) The department shall levy the state taxes authorized by law.
23 The amount levied in any one year for general state purposes shall not
24 exceed the lawful dollar rate on the dollar of the assessed value of
25 the property of the entire state, which assessed value shall be one
26 hundred percent of the true and fair value of the property in money.
27 The department shall apportion the amount of tax for state purposes
28 levied by the department, among the several counties, in proportion to
29 the valuation of the taxable property of the county for the year as
30 equalized by the department: PROVIDED, That for purposes of this
31 apportionment, the department shall recompute the previous year's levy
32 and the apportionment thereof to correct for changes and errors in
33 taxable values reported to the department after October 1 of the
34 preceding year and shall adjust the apportioned amount of the current
35 year's state levy for each county by the difference between the
36 apportioned amounts established by the original and revised levy
37 computations for the previous year. For purposes of this section,
38 changes in taxable values mean a final adjustment made by a county

1 board of equalization, the state board of tax appeals, or a court of
2 competent jurisdiction and shall include additions of omitted property,
3 other additions or deletions from the assessment or tax rolls, any
4 assessment return provided by a county to the department subsequent to
5 December 1st, or a change in the indicated ratio of a county. Errors
6 in taxable values mean errors corrected by a final reviewing body.

7 ~~((In addition to computing a levy under this subsection that is
8 reduced under RCW 84.55.012, the department shall compute a
9 hypothetical levy without regard to the reduction under RCW 84.55.012.
10 This hypothetical levy shall also be apportioned among the several
11 counties in proportion to the valuation of the taxable property of the
12 county for the year, as equalized by the department, in the same manner
13 as the actual levy and shall be used by the county assessors for the
14 purpose of recomputing and establishing a consolidated levy under RCW
15 84.52.010.))~~

16 (3) The department shall have authority to adopt rules and
17 regulations to enforce obedience to its orders in all matters in
18 relation to the returns of county assessments, the equalization of
19 values, and the apportionment of the state levy by the department.

20 (4) After the completion of the duties prescribed in this section,
21 the director of the department shall certify the record of the
22 proceedings of the department under this section, the tax levies made
23 for state purposes and the apportionment thereof among the counties,
24 and the certification shall be available for public inspection.

25 **Sec. 5.** RCW 84.52.068 and 2005 c 514 s 1104 are each amended to
26 read as follows:

27 (1) A portion of the proceeds of the state property tax levy for
28 the support of the common schools under RCW 84.52.065(1) shall be
29 deposited into the student achievement fund as provided in this
30 section.

31 (2)(a) The amount of the deposit shall be based upon the average
32 number of full-time equivalent students in the school districts during
33 the previous school year as reported to the office of the
34 superintendent of public instruction by August 31st of the previous
35 school year.

36 (b) For the 2004-2005 through 2007-2008 school years, an annual

1 amount equal to two hundred fifty-four dollars per full-time equivalent
2 student in all school districts shall be deposited in the student
3 achievement fund.

4 (c) For the 2008-2009 school year, an annual amount equal to two
5 hundred sixty-five dollars per full-time equivalent student in all
6 school districts shall be deposited in the student achievement fund.

7 (d) For the 2009-2010 school year, an annual amount equal to two
8 hundred seventy-seven dollars per full-time equivalent student in all
9 school districts shall be deposited in the student achievement fund.

10 (e) For the 2010-2011 school year and each year thereafter, an
11 annual amount equal to two hundred seventy-eight dollars per full-time
12 equivalent student in all school districts shall be deposited in the
13 student achievement fund.

14 (f) The school district annual amounts shall be deposited based on
15 the monthly apportionment schedule as defined in RCW 28A.510.250. The
16 office of the superintendent of public instruction shall notify the
17 department of the monthly amounts to be deposited into the student
18 achievement fund to meet the apportionment schedule.

19 **Sec. 6.** RCW 39.89.020 and 2001 c 212 s 2 are each amended to read
20 as follows:

21 The definitions in this section apply throughout this chapter
22 unless the context clearly requires otherwise.

23 (1) "Assessed value of real property" means the valuation of real
24 property as placed on the last completed assessment roll.

25 (2) "Local government" means any city, town, county, port district,
26 or any combination thereof.

27 (3) "Ordinance" means any appropriate method of taking legislative
28 action by a local government.

29 (4) "Public improvements" means:

30 (a) Infrastructure improvements within the increment area that
31 include:

- 32 (i) Street and road construction and maintenance;
- 33 (ii) Water and sewer system construction and improvements;
- 34 (iii) Sidewalks and streetlights;
- 35 (iv) Parking, terminal, and dock facilities;
- 36 (v) Park and ride facilities of a transit authority;
- 37 (vi) Park facilities and recreational areas; and

1 (vii) Storm water and drainage management systems; and

2 (b) Expenditures for any of the following purposes:

3 (i) Providing environmental analysis, professional management,
4 planning, and promotion within the increment area, including the
5 management and promotion of retail trade activities in the increment
6 area;

7 (ii) Providing maintenance and security for common or public areas
8 in the increment area; or

9 (iii) Historic preservation activities authorized under RCW
10 35.21.395.

11 (5) "Public improvement costs" means the costs of: (a) Design,
12 planning, acquisition, site preparation, construction, reconstruction,
13 rehabilitation, improvement, and installation of public improvements;
14 (b) relocating, maintaining, and operating property pending
15 construction of public improvements; (c) relocating utilities as a
16 result of public improvements; (d) financing public improvements,
17 including interest during construction, legal and other professional
18 services, taxes, insurance, principal and interest costs on general
19 indebtedness issued to finance public improvements, and any necessary
20 reserves for general indebtedness; (e) assessments incurred in
21 revaluing real property for the purpose of determining the tax
22 allocation base value that are in excess of costs incurred by the
23 assessor in accordance with the revaluation plan under chapter 84.41
24 RCW, and the costs of apportioning the taxes and complying with this
25 chapter and other applicable law; and (f) administrative expenses and
26 feasibility studies reasonably necessary and related to these costs,
27 including related costs that may have been incurred before adoption of
28 the ordinance authorizing the public improvements and the use of
29 community revitalization financing to fund the costs of the public
30 improvements.

31 (6) "Regular property taxes" means regular property taxes as
32 defined in RCW 84.04.140, except: (a) Regular property taxes levied by
33 port districts or public utility districts specifically for the purpose
34 of making required payments of principal and interest on general
35 indebtedness; and (b) regular property taxes levied by the state for
36 the support of the common schools and for the support of state parks
37 under RCW 84.52.065. Regular property taxes do not include excess

1 property tax levies that are exempt from the aggregate limits for
2 junior and senior taxing districts as provided in RCW 84.52.043.

3 (7) "Tax allocation base value" means the true and fair value of
4 real property located within an increment area for taxes imposed in the
5 year in which the increment area is created, plus twenty-five percent
6 of any increase in the true and fair value of real property located
7 within an increment area that is placed on the assessment rolls after
8 the increment area is created.

9 (8) "Tax allocation revenues" means those tax revenues derived from
10 the imposition of regular property taxes on the increment value and
11 distributed to finance public improvements.

12 (9) "Increment area" means the geographic area from which taxes are
13 to be appropriated to finance public improvements authorized under this
14 chapter.

15 (10) "Increment value" means seventy-five percent of any increase
16 in the true and fair value of real property in an increment area that
17 is placed on the tax rolls after the increment area is created.

18 (11) "Taxing districts" means a governmental entity that levies or
19 has levied for it regular property taxes upon real property located
20 within a proposed or approved increment area.

21 (12) "Value of taxable property" means the value of the taxable
22 property as defined in RCW 39.36.015.

23 **Sec. 7.** RCW 39.102.020 and 2006 c 181 s 102 are each amended to
24 read as follows:

25 The definitions in this section apply throughout this chapter
26 unless the context clearly requires otherwise.

27 (1) "Annual state contribution limit" means five million dollars
28 statewide per fiscal year.

29 (2) "Assessed value" means the valuation of taxable real property
30 as placed on the last completed assessment roll.

31 (3) "Base year" means the first calendar year following the
32 creation of a revenue development area. For a local government that
33 meets the requirements of RCW 39.102.040(2), "base year" is the
34 calendar year after it amends its ordinance as provided in RCW
35 39.102.040(2).

36 (4) "Board" means the community economic revitalization board under
37 chapter 43.160 RCW.

1 (5) "Demonstration project" means one of the following projects:

2 (a) Bellingham waterfront redevelopment project;

3 (b) Spokane river district project at Liberty Lake; and

4 (c) Vancouver riverwest project.

5 (6) "Department" means the department of revenue.

6 (7) "Fiscal year" means the twelve-month period beginning July 1st
7 and ending the following June 30th.

8 (8) "Local excise taxes" means local revenues derived from the
9 imposition of sales and use taxes authorized in RCW 82.14.030 at the
10 tax rate that was in effect at the time the revenue development area
11 was created, except that if a local government reduces the rate of such
12 tax after the revenue development area was created, "local excise
13 taxes" means the local revenues derived from the imposition of the
14 sales and use taxes authorized in RCW 82.14.030 at the lower tax rate.

15 (9) "Local excise tax allocation revenue" means the amount of local
16 excise taxes received by the local government during the measurement
17 year from taxable activity within the revenue development area over and
18 above the amount of local excise taxes received by the local government
19 during the base year from taxable activity within the revenue
20 development area, except that:

21 (a) If a sponsoring local government creates a revenue development
22 area and reasonably determines that no activity subject to tax under
23 chapters 82.08 and 82.12 RCW occurred in the twelve months immediately
24 preceding the creation of the revenue development area within the
25 boundaries of the area that became the revenue development area, "local
26 excise tax allocation revenue" means the entire amount of local excise
27 taxes received by the sponsoring local government during a calendar
28 year period beginning with the calendar year immediately following the
29 creation of the revenue development area and continuing with each
30 measurement year thereafter; and

31 (b) For revenue development areas created in calendar year 2006
32 that do not meet the requirements in (a) of this subsection and if
33 legislation is enacted in this state by July 1, 2006, that adopts the
34 sourcing provisions of the streamlined sales and use tax agreement,
35 "local excise tax allocation revenue" means the amount of local excise
36 taxes received by the sponsoring local government during the
37 measurement year from taxable activity within the revenue development
38 area over and above an amount of local excise taxes received by the

1 sponsoring local government during the 2007 base year adjusted by the
2 department for any estimated impacts from retail sales and use tax
3 sourcing changes effective July 1, 2007. The amount of base year
4 adjustment determined by the department is final.

5 (10) "Local government" means any city, town, county, port
6 district, and any federally recognized Indian tribe.

7 (11) "Local infrastructure financing" means the use of revenues
8 received from local excise tax allocation revenues, local property tax
9 allocation revenues, dedicated revenues from local public sources, and
10 revenues received from the local option sales and use tax authorized in
11 RCW 82.14.475 to pay the principal and interest on bonds authorized
12 under RCW 39.102.150.

13 (12) "Local property tax allocation revenue" means those tax
14 revenues derived from the receipt of regular property taxes levied on
15 the property tax allocation revenue value and used for local
16 infrastructure financing.

17 (13) "Revenues from local public sources" means federal and private
18 monetary contributions, amounts of local excise tax allocation
19 revenues, and amounts of local property tax allocation revenues
20 dedicated by participating taxing districts and participating local
21 governments for local infrastructure financing.

22 (14) "Low-income housing" means residential housing for low-income
23 persons or families who lack the means which is necessary to enable
24 them, without financial assistance, to live in decent, safe, and
25 sanitary dwellings, without overcrowding. For the purposes of this
26 subsection, "low income" means income that does not exceed eighty
27 percent of the median family income for the standard metropolitan
28 statistical area in which the revenue development area is located.

29 (15) "Measurement year" means a calendar year, beginning with the
30 calendar year following the base year and each calendar year
31 thereafter, that is used annually to measure state and local excise tax
32 allocation revenues.

33 (16) "Ordinance" means any appropriate method of taking legislative
34 action by a local government.

35 (17) "Participating local government" means a local government
36 having a revenue development area within its geographic boundaries that
37 has entered into a written agreement with a sponsoring local government

1 as provided in RCW 39.102.080 to allow the use of all or some of its
2 local excise tax allocation revenues or other revenues from local
3 public sources dedicated for local infrastructure financing.

4 (18) "Participating taxing district" means a local government
5 having a revenue development area within its geographic boundaries that
6 has entered into a written agreement with a sponsoring local government
7 as provided in RCW 39.102.080 to allow the use of some or all of its
8 local property tax allocation revenues or other revenues from local
9 public sources dedicated for local infrastructure financing.

10 (19)(a) "Property tax allocation revenue value" means seventy-five
11 percent of any increase in the assessed value of real property in a
12 revenue development area resulting from the placement of new
13 construction, improvements, or both to property on the assessment rolls
14 after the revenue development area is created, where the new
15 construction or improvements occur entirely after the revenue
16 development area is created.

17 (b) If any new construction added to the assessment rolls consists
18 of entire buildings, "property tax allocation revenue value" includes
19 seventy-five percent of any increase in the assessed value of the
20 buildings in the years following their initial placement on the
21 assessment rolls.

22 (c) "Property tax allocation revenue value" does not include any
23 increase in the assessed value of improvements to property or new
24 construction that do not consist of an entire building, occurring after
25 their initial placement on the assessment rolls.

26 (d) There is no property tax allocation revenue value if the
27 assessed value of real property in a revenue development area has not
28 increased due to new construction or improvements to property occurring
29 after the revenue development area is created.

30 (20) "Taxing district" means a government entity that levies or has
31 levied for it regular property taxes upon real property located within
32 a proposed or approved revenue development area.

33 (21) "Public improvements" means:

34 (a) Infrastructure improvements within the revenue development area
35 that include:

36 (i) Street, bridge, and road construction and maintenance,
37 including highway interchange construction;

1 (ii) Water and sewer system construction and improvements,
2 including wastewater reuse facilities;

3 (iii) Sidewalks, traffic controls, and streetlights;

4 (iv) Parking, terminal, and dock facilities;

5 (v) Park and ride facilities of a transit authority;

6 (vi) Park facilities and recreational areas, including trails; and

7 (vii) Storm water and drainage management systems;

8 (b) Expenditures for facilities and improvements that support
9 affordable housing as defined in RCW 43.63A.510.

10 (22) "Public improvement costs" means the cost of: (a) Design,
11 planning, acquisition including land acquisition, site preparation
12 including land clearing, construction, reconstruction, rehabilitation,
13 improvement, and installation of public improvements; (b) demolishing,
14 relocating, maintaining, and operating property pending construction of
15 public improvements; (c) the local government's portion of relocating
16 utilities as a result of public improvements; (d) financing public
17 improvements, including interest during construction, legal and other
18 professional services, taxes, insurance, principal and interest costs
19 on general indebtedness issued to finance public improvements, and any
20 necessary reserves for general indebtedness; (e) assessments incurred
21 in revaluing real property for the purpose of determining the property
22 tax allocation revenue base value that are in excess of costs incurred
23 by the assessor in accordance with the revaluation plan under chapter
24 84.41 RCW, and the costs of apportioning the taxes and complying with
25 this chapter and other applicable law; and (f) administrative expenses
26 and feasibility studies reasonably necessary and related to these
27 costs, including related costs that may have been incurred before
28 adoption of the ordinance authorizing the public improvements and the
29 use of local infrastructure financing to fund the costs of the public
30 improvements.

31 (23) "Regular property taxes" means regular property taxes as
32 defined in RCW 84.04.140, except: (a) Regular property taxes levied by
33 public utility districts specifically for the purpose of making
34 required payments of principal and interest on general indebtedness;
35 (b) regular property taxes levied by the state for the support of the
36 common schools and for the support of state parks under RCW 84.52.065;
37 and (c) regular property taxes authorized by RCW 84.55.050 that are

1 limited to a specific purpose. "Regular property taxes" do not include
2 excess property tax levies that are exempt from the aggregate limits
3 for junior and senior taxing districts as provided in RCW 84.52.043.

4 (24) "Property tax allocation revenue base value" means the
5 assessed value of real property located within a revenue development
6 area for taxes levied in the year in which the revenue development area
7 is created for collection in the following year, plus one hundred
8 percent of any increase in the assessed value of real property located
9 within a revenue development area that is placed on the assessment
10 rolls after the revenue development area is created, less the property
11 tax allocation revenue value.

12 (25) "Relocating a business" means the closing of a business and
13 the reopening of that business, or the opening of a new business that
14 engages in the same activities as the previous business, in a different
15 location within a one-year period, when an individual or entity has an
16 ownership interest in the business at the time of closure and at the
17 time of opening or reopening. "Relocating a business" does not include
18 the closing and reopening of a business in a new location where the
19 business has been acquired and is under entirely new ownership at the
20 new location, or the closing and reopening of a business in a new
21 location as a result of the exercise of the power of eminent domain.

22 (26) "Revenue development area" means the geographic area created
23 by a sponsoring local government from which local excise and property
24 tax allocation revenues are derived for local infrastructure financing.

25 (27) "Small business" has the same meaning as provided in RCW
26 19.85.020.

27 (28) "Sponsoring local government" means a city, town, or county,
28 and for the purpose of this chapter a federally recognized Indian tribe
29 or any combination thereof, that creates a revenue development area and
30 applies to the board to use local infrastructure financing.

31 (29) "State contribution" means the lesser of:

32 (a) One million dollars;

33 (b) The state excise tax allocation revenue and state property tax
34 allocation revenue received by the state during the preceding calendar
35 year;

36 (c) The amount of local excise tax allocation revenues, local
37 property tax allocation revenues, and revenues from local public

1 sources, that are dedicated by a sponsoring local government in the
2 preceding calendar year to the payment of principal and interest on
3 bonds issued under RCW 39.102.150; or

4 (d) The amount of project award granted by the board in the notice
5 of approval to use local infrastructure financing under RCW 39.102.040.

6 (30) "State excise taxes" means revenues derived from state retail
7 sales and use taxes under chapters 82.08 and 82.12 RCW, less the amount
8 of tax distributions from all local retail sales and use taxes imposed
9 on the same taxable events that are credited against the state retail
10 sales and use taxes under chapters 82.08 and 82.12 RCW.

11 (31) "State excise tax allocation revenue" means the amount of
12 state excise taxes received by the state during the measurement year
13 from taxable activity within the revenue development area over and
14 above the amount of state excise taxes received by the state during the
15 base year from taxable activity within the revenue development area,
16 except that:

17 (a) If a sponsoring local government creates a revenue development
18 area and reasonably determines that no activity subject to tax under
19 chapters 82.08 and 82.12 RCW occurred in the twelve months immediately
20 preceding the creation of the revenue development area within the
21 boundaries of the area that became the revenue development area, "state
22 excise tax allocation revenue" means the entire amount of state excise
23 taxes received by the state during a calendar year period beginning
24 with the calendar year immediately following the creation of the
25 revenue development area and continuing with each measurement year
26 thereafter; and

27 (b) For revenue development areas created in calendar year 2006
28 that do not meet the requirements in (a) of this subsection and if
29 legislation is enacted in this state by July 1, 2006, that adopts the
30 sourcing provisions of the streamlined sales and use tax agreement,
31 "state excise tax allocation revenue" means the amount of state excise
32 taxes received by the state during the measurement year from taxable
33 activity within the revenue development area over and above an amount
34 of state excise taxes received by the state during the 2007 base year
35 adjusted by the department for any estimated impacts from retail sales
36 and use tax sourcing changes effective July 1, 2007. The amount of
37 base year adjustment determined by the department is final.

1 (32) "State property tax allocation revenue" means those tax
2 revenues derived from the imposition of property taxes levied by the
3 state for the support of common schools and for the support of state
4 parks under RCW 84.52.065 on the property tax allocation revenue value.

5 NEW SECTION. **Sec. 8.** RCW 84.55.012 (Reduction of property tax
6 levy--Setting amount of future levies) and 1997 c 2 s 1 & 1995 2nd
7 sp.s. c 13 s 2 are each repealed.

8 NEW SECTION. **Sec. 9.** Sections 1 through 7 of this act expire July
9 1, 2014.

10 NEW SECTION. **Sec. 10.** This act applies to taxes levied for
11 collection in 2008 through 2013.

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